

Agenda Date: 12/4/02 Agenda Item: 3C

## STATE OF NEW JERSEY

Board of Public Utilities Two Gateway Center Newark, NJ 07102 www.bpu.state.nj.us

CABLE TELEVISION

IN THE MATTER OF COMCAST CABLEVISION OF MERCER COUNTY, INC. FOR APPROVAL OF THE FILING OF FCC FORM 1240, AN ANNUAL UPDATING OF THE MAXIMUM PERMITTED RATE FOR THE REGULATED BASIC CABLE SERVICE USING THE OPTIONAL EXPEDITED RATE PROCEDURES	) ) ) )	ORDER ADOPTING STIPULATION
		DOCKET NO. CR02080502

(SERVICE LIST ATTACHED)

## BY THE BOARD:

On August 2, 2002, (revised August 19, 2002), Comcast Cablevision of Mercer County, Inc. ("Petitioner") filed Federal Communications Commission ("FCC") Form 1240, Docket Number CR02080502, seeking approval by the Board of Public Utilities ("Board") for an annual rate adjustment in its maximum permitted rate resulting from an adjustment for inflation, channel changes, programming costs and copyright fees pursuant to the Cable Television Consumer Protection and Competition Act of 1992, 47 <u>U.S.C.</u> § 543 <u>et seq.</u>, and provisions of the New Jersey Cable Television Act, N.J.S.A. 48:5A-1 et seq.

The Board, at its public meeting on January 10, 1996, in Docket Number CX95120636, approved the implementation of Optional Expedited Rate Procedures for the processing of certain filings made with the Office of Cable Television. The intended purpose of these procedures is to grant final rates as quickly as possible to any cable company that chooses this process. In the spirit of cooperation based on the principles of Alternate Dispute Resolution, the discovery content is limited, thereby reducing the timeframe for settlement.

Petitioner chose to pursue its filing with the Board through the approved procedures. To that end, a pre-transmittal conference was held on September 5, 2002 and attended by representatives of the Petitioner, the Division of the Ratepayer Advocate and Board Staff. Petitioner agreed to waive its Office of Administrative Law ("OAL") litigation rights for this matter. It should be noted that Petitioner's waiver was a knowing, voluntary and intelligent waiver of its litigation rights at the OAL and that the waiver did not constitute a circumvention of the FCC rules nor did it affect Petitioner's right to appeal in that forum.

Petitioner notified its customers of the rate increase by way of a newspaper announcement informing them of their opportunity to submit written comments to the Board for a period of thirty days. The notice appeared in <u>The Times</u> on August 29, 2002. No comments were received as a result of the public notice.

After review by Staff and the Ratepayer Advocate of the supporting documentation, schedules and other discovery requests, a settlement conference was held on September 16, 2002. On October 3, 2002, the parties entered into a Stipulation of Settlement.

The Board has reviewed the Stipulation of Settlement and <u>FINDS</u> it to be reasonable, in the public interest and in accordance with the law. Therefore, the Board <u>HEREBY ADOPTS</u> the Stipulation of Settlement (attached hereto) as its own, incorporating by reference the terms and conditions therein as if fully set forth at length herein.

The Board <u>FURTHER ORDERS</u> that should this cable system, or any part thereof, merge, and/or migrate to another system, be upgraded and/or rebuilt, its ownership or control be otherwise sold or transferred to another entity, the basic service tier rate that will be eliminated or superseded as a result of the merger, migration, upgrade, rebuild, sale or transfer must be "trued-up" [47 <u>C.F.R.</u> § 76.922 (e) (3)]. The final true-up for the affected system, or any part thereof, should be calculated on FCC Form 1240 and begin where the last true-up period ended on its prior FCC Form 1240. This true-up calculation shall be filed with the Board when all the affected subscribers are being charged the rate resulting from the merger, migration, upgrade, rebuild, sale or transfer and may be filed in conjunction with the annual rate adjustment cycle (Form 1240) established as a result of said merger, migration, upgrade, rebuild, sale or transfer.

The cable system, or any part thereof, may be subsequently deregulated as a result of a finding by the Board, the FCC or other party of competent jurisdiction, that this system, or any portion thereof, is subject to effective competition. Should that be the case, the last basic service rate established as a result of a prior FCC Form 1240 or such subsequent rate calculation method as may be heretofore adopted by the Board, the FCC or other party of competent jurisdiction, prior to the deregulation of any rate that is now or may in the future be subject to the Board's

jurisdiction, must be trued-up for the period of time that the affected rates were subject to regulation by the Board.

DATED:	December 5, 2002	<b>BOARD OF PUBLIC UTILITIES</b>
		BY:

(signed)

JEANNE M. FOX PRESIDENT

(signed)

FREDERICK F. BUTLER COMMISSIONER

(signed)

CAROL J. MURPHY COMMISSIONER

(signed)

CONNIE O. HUGHES COMMISSIONER

(signed)

JACK ALTER COMMISSIONER

ATTEST:

(signed)

KRISTI IZZO SECRETARY

## IN THE MATTER OF COMCAST CABLEVISION OF MERCER COUNTY, INC FCC FORM 1240 USING THE OPTIONAL EXPEDITED RATE PROCEDURES

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Brian W. Earnshaw Vice President & Controller Eastern Division Comcast Cable Communications, Inc. 200 Cresson Boulevard Oaks, Pa. 19456

Gloria Furlong
Supervising Administrative Analyst
Richard Stephan
Administrative Analyst 2, Accounting
Office of Cable Television
Two Gateway Center
Newark, NJ 07102

Andrew Dembia, Esq.
Deputy Ratepayer Advocate
State of New Jersey
Division of Ratepayer Advocate
31 Clinton Street - 11th Floor
Newark, New Jersey 07102

Andrea Crane The Columbia Group 38C Grove Street Ridgefield, CT 06877